

Mayor Mary Cooper called the meeting to order at 7:00 p.m. Also present were Councilmembers Kay Carlquist, Robert Jurca, Guy Pfalzgraff and Bill Seuell, along with City Manager Lanny Sloan and City Attorney Mike Schottelkotte. A meeting notice was posted in the south window at City Hall at least twenty-four hours prior to the meeting.

Pledge of Allegiance

The Mayor led everyone present in the Pledge of Allegiance.

Changes to the Agenda

There were none.

Minutes

It was moved by Councilmember Carlquist and seconded by Councilmember Seuell to approve the minutes of May 5, 2009 regular meeting as submitted by the Clerk. All in favor, motion carried.

Citizen Comments

Renee McRay commented on the business enhancement program and the recent allegations that have been made.

Financial Report

Finance Director Tod DeZeeuw presented the financial report for period ending April 30, 2009 and answered questions from Council.

Business Enhancement Report

Randy Sunderland stated that they are withdrawing further negotiations for the business enhancement contract. He thanked Council for the relationship and stated that this decision is in the best interest for the Chamber of Commerce.

Councilmember Carlquist expressed her regret that things couldn't have worked out better.

Request from Colorado Rural Housing Development Corporation

City Manager Lanny Sloan stated that Al Gold with the Colorado Rural Housing Development Corporation has submitted a request for the City of Delta to sponsor a Small Cities Community Development Block Grant (CDBG) in the amount of \$1,000,000 for the development of a 40-unit complex in Delta for agriculture workers.

Al Gold with Colorado Rural Housing Development Corporation presented Council with a summary that identifies the uses and sources for this project. He stated that this grant is to complete the financing requirements and plays a big role in the financing. Mr. Gold commented on how this project would be an asset to the City by providing clean, safe and affordable housing and also provide a financial boost to the local economy by creating jobs and purchasing local building materials.

Mr. Gold stated that in previous projects the division of housing has played a major role in supporting some of their developments and listed those communities. In order to fund these projects the cities sponsored the CDBG to the division of housing. Colorado Rural Housing played an active role in the process by drafting the application and all the attachments for the grant request. They also included administrative costs in the grant to help with the cities' staff expense. They would appreciate if the City would consider the grant application.

There was discussion regarding the previous cities' involvements with these types of projects and the amounts of those sponsored grants.

Councilmember Pfalzgraff questioned what the administrative costs could cover.

Regular Meeting, Delta City Council, May 19, 2009 (Cont.)

Request from Colorado Rural Housing Development Corporation (cont.)

Mr. Gold stated that for the City of Alamosa he believed that they received \$30,000 to \$50,000 for monitoring the CDBG application.

Mary Cooper asked if it covered all the administrative costs for the city.

Mr. Gold responded saying Colorado Rural Housing completed much of the work themselves as far as all of the reports.

Councilmember Seuell questioned if staff has had a chance to review this request.

Mr. Sloan stated that before he can make a recommendation to Council he would need more information on the process, cost involved and liability. He also would need staff to review this request. The site listed initially meets the criteria for the site listed as far as land use planning. He reported that there is a pending discrimination suit against the City from Colorado Rural Housing being investigated by the Department of Regulatory Affairs and he would need to discuss that with DOLA. That may have an impact on the possibility to obtain the grant or on future grants.

Mr. Sloan also stated that he would like to speak with the other cities that have been involved in these types of projects to get more information. This is a \$1,000,000 grant that the City would be asking for and if something were to happen it would be the City's responsibility.

Mr. Gold reported that the City of Alamosa would be very helpful and he would get contact information to Mr. Sloan.

Councilmember Pfalzgraff questioned what the time frame is on this project.

Mr. Gold stated that the funding schedule needs to be completed in June or July.

There was discussion on tabling the matter to obtain more information to make a decision.

It was moved by Councilmember Carlquist and seconded by Councilmember Jurca to table the request from Colorado Rural Housing Development Corporation for a future date. All in favor, motion carried.

Resolution #1, 2009
Union Pacific Railroad Company

Resolution #1, 2009

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DELTA, COLORADO, APPROVING EXECUTION OF A CONTRACT BETWEEN THE CITY OF DELTA AND UNION PACIFIC RAILROAD COMPANY, AS CONTEMPLATED BY THE APPLICATION BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO IN DOCKET NO. 08A-505R

Public Works Director Jim Hatheway reported that this is part one of the portion of the 1600 signal. Union Pacific Railroad is requiring that a resolution accompany the executed contracts to construct the crossing improvements at 1600 Road. These improvements are part of the overall signal construction project. This resolution verifies that the City Manger can sign on behalf of the City and that the funds are appropriated to pay for the improvements. The cost estimate received from UPRR estimated that \$266,593 will be required for the signal improvements and \$95,117 will be required for the crossing surface improvements for a total of \$361,710. An additional \$1,000 is required when the contract is returned to UPRR to complete the execution of the contract.

Councilmember Seuell questioned if the closing of hot mix plant in Mesa County would affect the cost of this project.

Mr. Hatheway stated that the asphalt work would be pretty minor.

Regular Meeting, Delta City Council, May 19, 2009 (Cont.)

Resolution #1, 2009 (cont.)

It was moved by Councilmember Jurca and seconded by Councilmember Pfalzgraff to adopt Resolution #1, 2009. Roll call vote: Councilmembers Carlquist aye, Jurca aye, Pfalzgraff aye, Seuell aye, and Cooper aye. Motion carried.

City Attorney Comments

There were none.

City Manager Comments

There were none.

Councilmember Comments

Councilmember Carlquist reported that she attended public meetings at the Rec Center regarding future plans of the Rec Center and the alternate truck route. She commented on the BE program and stated that the Chamber has operated that program through the month of May and that they need to be compensated for that.

Councilmember Seuell congratulated Wilma Erven on her accomplishments at the Rec Center.

Mayor Cooper stated that she had the honor of attending the dedication of the Veteran's section of the cemetery. She also wished everyone a great Memorial Day weekend.

The meeting was adjourned at 7:32 p.m.

Jolene E. Nelson, City Clerk